



Charles D. Baker, Governor
Karyn E. Polito, Lieutenant Governor
Stephanie Pollack, MassDOT Secretary & CEO
Steve Poftak, General Manager



Fiscal and Management Control Board

Transportation Board Room

10 Park Plaza

February 25, 2019

12:00 Noon

MEETING MINUTES

Present: **Chair Joseph Aiello, Director Monica Tibbits-Nutt, Director Chrystal Kornegay, Director Brian Lang and Director Brian Shortsleeve (departed at 1:58 p.m.)**

Quorum Present: Yes

Others Present: **Secretary Stephanie Pollack, General Manager Steve Poftak, Jeff Gonnevile, Nathan Peyton, Owen Kane, Marie Breen, Michelle Kalowski, Paul Brandley, Laurel Paget-Seekins, Ben Schutzman, Erik Stoothoff, Kat Benesh, David Sikorski and Mahour Rahimi**

At the call of Chair Aiello, a meeting of the Fiscal and Management Control Board (Board) was called to order at 12:07 p.m. at the State Transportation Building, Transportation Board Room, 10 Park Plaza, Boston, Massachusetts.

Chair Aiello opened up the public comment period for items appearing on the agenda.

Massachusetts Bay Transportation Authority

Ten Park Plaza, Boston, MA 02116

www.mbtacommunity.org

The first group of speakers: Fred Salvucci from MIT, Mary Connaughton from the Pioneer Institute, Robert Sloane from WalkBoston, Laura Jasinski from the Charles River Conservancy, and Galen Mook and Jessica Robertson from the Allston I-90 Task Force, expressed their appreciation to the Secretary and MassDOT for the recent decision concerning the throat section in the Allston I-90 project.

Next, Michael Vartabedian from Local 264 commented on issues continuing with bus maintenance and the shortage of manpower.

Next, Jim McCarthy from the Alliance of Unions commented on bus maintenance and the failures of departments at the MBTA that have been outsourced.

Next, Mela Miles from the Greater Four Corners Action Coalition and Fairmount Indigo Transit Coalition commented on accessing meeting information, on making FMCB meetings more user friendly and surcharge issues.

Next, Louise Baxter from the Transit Riders Union commented on fare vending machines.

Next, Staci Rubin from the Consumer Law Foundation commented on AFC 2.0 implementation and privacy issues and The RIDE.

Next, Paul Regan Executive Director of the MBTA Advisory Board read a statement on behalf of Richard Prone, MBTA Advisory Board representative from Duxbury concerning the proposed fare increase and off-peak weekday service on commuter rail trains.

Lastly, Marilyn McNabb commented on The RIDE call center and accessing FMCB meeting information.

Public comment period concluded at 12:42 p.m.

Next, was the approval of the minutes of the February 4, 2019 meeting.

On motion duly made and seconded, it was;

VOTED: to approve the minutes of February 4, 2019.
(Director Lang abstained from voting)

Next, was the approval of the minutes of the February 11, 2019 meeting.

On motion duly made and seconded, it was;

VOTED: to approve the minutes of February 11, 2019.
(Director Lang abstained from voting)

Chair Aiello continued with the agenda and called upon General Manager Steve Poftak to present the Report of the General Manager, Agenda Item D. Mr. Poftak discussed the recent MassDOT Women's Employees Resource Group meeting, the Aquarium station resilience flood protection barrier and the opening of the new Fairmount Commuter Rail Blue Hill Avenue Station. The GM continued to give updates on the upcoming Somerville bridge closures relative to the Green Line Extension and updates on community meetings and public outreach on the Better Bus Project, AFC 2.0 and fare proposal.

Mr. Poftak concluded his report noting that total overtime spending was up modestly year-over-year, but overtime expense on the operating budget was down 9%, as set forth in the attached document labeled, “GM Remarks, February 25, 2019.” Discussion ensued.

Next, Chair Aiello called upon Deputy General Manager Jeffrey Gonnevile to present Agenda Item E, the Report from the Deputy General Manager. Mr. Gonnevile provided a follow-up to the Board on the February 8, 2019 power failure incident, as set forth in the attached document labeled, “Deputy GM Remarks, February 25, 2019.” Discussion ensued.

The Chair next called upon MassDOT’s Deputy Chief of Staff Nathan Peyton to present Agenda Item F, the FMCB Calendar. Mr. Peyton reviewed upcoming agenda items with the Board, as set forth in the attached document labeled, “FMCB Public Schedule, February 25, 2019.” Discussion ensued.

Chair Aiello announced he would be taking some agenda items out of order and called upon General Manager Poftak to present Agenda Item M, a discussion of a collective bargaining agreement. Mr. Poftak provided a brief overview of the Memorandum of Understanding with Local Union 651 and recommended the Board approve this action. Discussion ensued.

On motion duly made and seconded, it was;

VOTED:

That the General Manager or his designee is hereby authorized to execute any and all necessary documents, subject to the approval of

the General Counsel, to effectuate a certain Memorandum of Understanding and Amendment to a Collective Bargaining Agreement with the International Brotherhood of Boilmakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local Union 651, incorporating the terms and conditions outlined in the presentation provided during the February 25, 2019 Fiscal and Management Control Board meeting.

Next, Chair Aiello called upon Acting Chief Financial Officer Paul Brandley to present Agenda Item L, an update on the MBTA Retirement Fund. Mr. Brandley discussed the investment loss and negative net cash flow of \$151 million in the \$1.45 billion fund. Mr. Brandley continued to discuss the estimated unfunded liability; projected contribution rate for FY20 operating budget and concluded with next steps, as set forth in the attached presentation labeled, "MBTA Retirement Fund Update, February 25, 2019." Discussion ensued, and all of the Board members expressed a sense of urgency to solve this crucial issue.

Next, Chair Aiello called upon Erik Stoothoff, Deputy Chief Operating Officer of Infrastructure to present Agenda Item G, a General Engineering Services Contract. Chair Aiello recused himself, asked that Vice-Chair Tibbits-Nutt preside and left the room.

Mr. Stoothoff provided the Board with an overview of the requested action that would allow the Engineering and Maintenance Department (E&M Dept.) to award a contract for specialized engineering services to aid the achievement of operational improvements within the E&M Dept. and several key stakeholder areas outside the department. Mr. Stoothoff discussed the scope of services between the

MBTA and Network Rail Consulting for an amount not to exceed \$15,000,000, as set forth in the attached document labeled, "MBTA General Engineering Contract No. ENMPS06, Engineering Services for the Engineering and Maintenance Department, February 25, 2019."

On motion duly made and seconded, it was:

VOTED:

That the General Manager and CEO, or his designee, is hereby authorized to award and execute in the name of and on behalf of the Massachusetts Bay Transportation Authority (the "MBTA"), and in a form approved by the General Counsel, MBTA Contract ENMPS06: Engineering Services for the Engineering and Maintenance Department to Network Rail Consulting for an amount not to exceed \$15,000,000.

Vice Chair Tibbits-Nutt next called upon Laurel Paget-Seekins, Director of Fare Policy and Analytics to present Agenda Item I, an update on ridership. Ms. Paget-Seekins provided the Board with quarterly ridership data noting that subway and bus ridership continued to decline on weekdays and 2018 commuter rail counts indicated a 21% increase since 2012.

Ms. Paget-Seekins continued to discuss ridership research results and trends by lines, and noted the MBTA uses monthly panel surveys and a biennial intercept customer satisfaction survey. Ms. Paget-Seekins noted a final report on bus ridership would be released in March and research on subway and commuter rail ridership would continue, as set forth in the attached presentation labeled, "Quarterly Ridership Update, February 25, 2019." Discussion ensued.

Next, Chair Aiello called upon Kat Benesh, Chief of Operations Strategy, Policy and Oversight to present Agenda Item H, an update on the Better Bus Project. Ms. Benesh noted this presentation would focus on potential investment tiers and she would be seeking feedback from the Board on framework for initial investments in highest ridership routes. Ms. Benesh reviewed the Better Bus Project Process Map (Phases 1 – 5) and discussed investment categories and examples of investments. Ms. Benesh asked the Board today if they were supportive of the approach of focusing on the Top 40 Highest Ridership Routes and Corridors. Directors Tibbits-Nutt and Chair Aiello responded in the affirmative, and discussion ensued on what would be the best investment in each corridor.

Ms. Benesh continued discussing peoplepower investments and a proposed plan for FY20 covering street infrastructure, resources and operational changes, as set forth in the attached document labeled “Better Bus Project Update, February 25, 2019.” Discussion ensued.

Next, Chair Aiello asked Mr. Paget-Seekins back to the podium to present Agenda Item J, a discussion on sale strategies for AFC 2.0. Ms. Paget-Seekins discussed plans on how to ensure access for cash users and discussed new ways to pay that would decrease the number of users needing physical points of sale: website, mobile apps, call center agents and increased options for employers or schools.

Ms. Paget-Seekins reviewed how points of sale were located and noted the MBTA would increase the number of fare vending machines from the current 86 locations to 178 locations, a 106% increase. Ms. Paget-Seekins concluded her portion of the presentation by discussing the 2019 Policy Outreach Plan and upcoming events. Discussion ensued.

Next, AFC 2.0 Program Manager David Sikorski continued the presentation and discussed user testing. Mr. Sikorski discussed lessons learned to date and noted the MBTA had made changes to the system design based on early user testing sessions. He discussed the changes made and what the user testing session would focus on exploring in the future. Mr. Sikorski concluded the presentation discussing the test lab and demo space, as set forth in the attached document labeled “AFC 2.0 Update to the Fiscal and Management Control Board, February 25, 2019.” Discussion ensued.

Lastly, Chair Aiello called upon Ben Schutzman, Director of Transportation Innovation to present Agenda Item K, an update on The Ride. Mr. Schutzman provided a review of The RIDE’s overall system performance and a 12-month recap, noting the RIDE had gone through multiple significant transitions in the last year.

Mr. Schutzman continued to discuss The RIDE’s projected FY19 and FY20 budget projections and cost savings initiatives. Mr. Schutzman continued, with contribution from Mahour Rahimi, Deputy Director of Paratransit Operational Strategy, to discuss a new state-of-the-art software that will be essential to the future of The RIDE. Ms. Rahimi noted that Routematch was selected as the new provider

that would drive improved customer experience, enhanced service reliability, and increased productivity. She concluded the presentation by discussing the dedicated service provider contract redesign and procurement, as set forth in the attached document labeled, "The RIDE Update, February 25, 2019." Discussion ensued.

On motion duly made seconded, it was by roll call:

Chair Aiello Yes

Director Tibbits-Nutt Yes

Director Lang Yes

Director Kornegay was not present to vote to adjourn into Executive Session.

VOTED: To enter into Executive Session for a discussion of strategy related to real estate and litigation at 3:29 p.m.

Documents relied upon for this meeting:

- Minutes of February 4, 2019
- Minutes of February 11, 2019
- General Manager Remarks, February 25, 2019
- Deputy GM Remarks, February 425 2019
- FMCB Public Schedule, February 25, 2019
- Better Bus Project Update, February 25, 2019
- MBTA Retirement Fund Update, February 25, 2019
- Quarterly Ridership Update, February 25, 2019
- The RIDE Update, February 25, 2019
- AFC 2.0 Update to the Fiscal and Management Control Board, February 25, 2019
- MBTA General Engineering Contract No. ENMPS06, Engineering Services for the Engineering and Maintenance Department, February 25, 2019